

1 AN ACT relating to public assistance.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
4 READ AS FOLLOWS:

5 *For the purposes of Sections 3, 12, 17, 18, 19, 20, 21, and 22 of this Act, unless context*
6 *requires otherwise:*

7 *(1) "Cash assistance":*

8 *(a) Means cash benefits provided under this chapter, including via an*
9 *electronic benefit transfer card; and*

10 *(b) Does not include foster care payments, kinship care payments, fictive kin*
11 *care payments, or relative placement payments made by the cabinet; and*

12 *(2) "Public Assistance" has the same meaning as in KRS 205.010 but does not*
13 *include foster care payments, kinship care payments, fictive kin care payments, or*
14 *relative placement payments made by the cabinet.*

15 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
16 READ AS FOLLOWS:

17 *(1) Within ninety (90) days of the effective date of this Act and in each biennium*
18 *thereafter, the cabinet shall conduct an analysis of state expenditures related to*
19 *the provision of services, support, and assistance under 42 U.S.C. sec. 601 et seq.*
20 *The analysis conducted pursuant to this section shall include identification of*
21 *any unobligated funds and actions necessary to access those funds.*

22 *(2) If the cabinet, through the analysis required by this section, identifies any*
23 *unobligated funds, those funds shall be allocated to:*

24 *(a) The job placement assistance program established in Section 16 of this Act;*
25 *and*

26 *(b) Additional work supports and supportive services as permitted under 42*
27 *U.S.C. sec. 601 et seq.*

1 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
2 READ AS FOLLOWS:

3 (1) As used in this section:

4 (a) "Alcoholic beverage" has the same meaning as in KRS 241.010;

5 (b) "Cash recipient of public assistance benefits" means any individual who
6 receives cash assistance via an electronic benefit transfer card or any other
7 form of cash assistance under Title IV of the Social Security Act, the
8 Supplemental Nutrition Assistance Program, or any other public assistance
9 program administered by the cabinet;

10 (c) "Tobacco product" has the same meaning as in KRS 438.305; and

11 (d) "Vapor product" has the same meaning as in KRS 438.305.

12 (2) A cash recipient of public assistance benefits shall not use any portion of his or
13 her benefits to purchase alcoholic beverages, tobacco products, vapor products,
14 or lottery tickets, or to purchase any goods or services in a casino, an
15 establishment that provides adult-oriented entertainment in which performers
16 disrobe or perform in an unclothed state, a tattoo or body piercing facility, or a
17 retail establishment the primary purpose of which is the sale of alcoholic
18 beverages, tobacco products, or vapor products.

19 (3) If a cash recipient of public assistance benefits uses an automated teller machine
20 or any other means or device to withdraw cash using an electronic benefit
21 transfer card issued by the cabinet, that cash may only be used for goods and
22 services necessary for the welfare of the family, including but not limited to food,
23 clothing, housing, utilities, child care, transportation, medicine, and medical
24 supplies.

25 (4) Any person who violates subsection (2) or (3) of this section shall be subject to the
26 following sanctions:

27 (a) Upon the first violation, the recipient shall be disqualified from receiving

1 public assistance benefits by means of a direct cash payment or an
2 electronic benefits transfer card for one (1) month;

3 (b) Upon the second violation, the recipient shall be disqualified from receiving
4 public assistance benefits by means of a direct cash payment or an
5 electronic benefits transfer card for three (3) months; and

6 (c) Upon the third violation, the recipient shall be disqualified from receiving
7 public assistance benefits by means of a direct cash payment or an
8 electronic benefits transfer card for a period of five (5) years.

9 (5) The cabinet shall:

10 (a) Within ninety (90) days after the effective date of this Act, to the extent it is
11 feasible and except as provided in subparagraphs 1., 2., and 3. of this
12 paragraph, begin utilizing a single benefit card for each cash recipient of
13 public assistance benefits administered under this chapter regardless of in
14 which public assistance programs the individual is enrolled. The single
15 benefit card required by this paragraph shall be an electronic benefit
16 transfer card and shall, at a minimum, be utilized for Supplemental
17 Nutrition Assistance Program benefits and the state's medical assistance
18 program benefits. The single benefit card required by this paragraph shall
19 not be utilized for:

20 1. Foster care payments, kinship care payments, fictive kin care
21 payments, or relative placement payments made by the cabinet;

22 2. Public assistance benefits provided to women, infants, and children
23 under 42 U.S.C. sec. 1786; or

24 3. Cash assistance benefits paid directly to a third party on behalf of a
25 public assistance benefit recipient, including but not limited to child-
26 care subsidies paid pursuant to KRS 199.899;

27 (b) Through any means practical, inform all applicants for and cash recipients

1 of public assistance benefits of the restrictions and sanctions contained in
2 this section;

3 (c) Monitor the use of electronic benefit transfer cards to withdraw cash and
4 investigate cases in which it believes cash benefits may be being used in
5 violation of subsection (3) of this section; and

6 (d) Within ninety (90) days after the effective date of this Act, promulgate
7 administrative regulations in accordance with KRS Chapter 13A necessary
8 to administer this section.

9 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
10 READ AS FOLLOWS:

11 (1) The General Assembly hereby affirms the mission of the Supplemental Nutrition
12 Assistance Program, formerly known as the federal food stamp program, to
13 supplement the food budgets of needy families so that they can purchase healthy
14 food and move toward self-sufficiency. To that end, the General Assembly
15 recommends that Supplemental Nutrition Assistance Program beneficiaries use
16 at least seventy-five percent (75%) of their monthly benefits to purchase healthy
17 foods, including fresh fruits, fresh vegetables, and whole grains, and that
18 beneficiaries utilize the Kentucky Double Dollars program to enhance the
19 purchasing power of their Supplemental Nutrition Assistance Program benefits
20 by purchasing fresh produce from local farmers' markets.

21 (2) To the extent that surplus Supplemental Nutrition Assistance Program Education
22 funds are available at the end of each federal fiscal year, the cabinet shall
23 coordinate with the Department of Agriculture to provide support to expand
24 access by Supplemental Nutrition Assistance Program beneficiaries to farmers'
25 markets across the Commonwealth.

26 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
27 READ AS FOLLOWS:

1 *In order to improve access to the Supplemental Nutrition Assistance Program, reduce*
2 *administrative costs associated with the program, and enhance program integrity, the*
3 *cabinet shall:*

4 *(1) Within one hundred eighty (180) days after the effective date of this Act:*

5 *(a) Establish a transitional benefit alternative as described in 7 C.F.R. secs.*
6 *273.26 to 273.32;*

7 *(b) Request a waiver from the United States Department of Agriculture to*
8 *implement:*

9 *1. An Elderly Simplified Application Project for individuals who have no*
10 *earned income and who are over sixty (60) years of age or who are*
11 *disabled; and*

12 *2. A standard medical deduction waiver for individuals who are over*
13 *sixty (60) years of age or are disabled;*

14 *(c) Establish procedures to allow Supplemental Nutrition Assistance Program*
15 *beneficiaries to recertify eligibility online;*

16 *(d) To the extent permitted under federal law, develop and implement an online*
17 *employment and training program, as defined in 7 U.S.C. sec. 2015(d)(4),*
18 *for any individual that is subject to work requirements under 7 U.S.C. sec.*
19 *2015(d)(1);*

20 *(e) Request a waiver from the United States Department of Agriculture relating*
21 *to Supplemental Nutrition Assistance time limit exception established in 7*
22 *C.F.R. sec. 273.24(c)(4); and*

23 *(f) Promulgate administrative regulations in accordance with KRS Chapter*
24 *13A necessary to administer this section; and*

25 *(2) Within ninety (90) days after the effective date of this Act, require all households*
26 *receiving Supplemental Nutrition Assistance benefits, except for those*
27 *households described in subsection (1)(b) of this section, to comply with the*

1 certified change reporting requirements established in 7 C.F.R. sec. 273.12(a).

2 ➔SECTION 6. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
3 READ AS FOLLOWS:

4 (1) The cabinet, to the extent permitted under federal law, shall implement a
5 community engagement program that requires all able-bodied adults without
6 dependents who have been enrolled in the state's medical assistance program for
7 more than twelve (12) months to participate in at least eighty (80) hours of
8 qualifying community engagement activities each month.

9 (2) If the federal Centers for Medicare and Medicaid Services approves the
10 implementation of a community engagement program pursuant to subsection (1)
11 of this section:

12 (a) The program shall, for the purpose of defining qualifying community
13 engagement activities, utilize the work requirements established in 7 C.F.R.
14 sec. 273.24;

15 (b) Participation in the job placement assistance program established in
16 Section 16 of this Act shall constitute qualifying community engagement
17 activities; and

18 (c) The cabinet shall, on a monthly basis, provide the Education and
19 Workforce Development Cabinet with the name and contact information of
20 each individual required by subsection (1) of this section to participate in
21 community engagement activities.

22 (3) As used in this section "able-bodied adult without dependents" means an
23 individual who is:

24 (a) Over eighteen (18) years of age but under sixty (60) years of age;

25 (b) Physically and mentally able to work as determined by the cabinet; and

26 (c) Not primarily responsible for the care of a dependent child under the age of
27 eighteen (18) or a dependent disabled adult relative.

1 ➔SECTION 7. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
2 READ AS FOLLOWS:

3 *Notwithstanding any provision of law to the contrary, the cabinet shall not exercise the*
4 *state's option to develop a basic health program as permitted under 42 U.S.C. sec.*
5 *18051 without first obtaining specific authorization from the General Assembly to do*
6 *so.*

7 ➔SECTION 8. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
8 READ AS FOLLOWS:

9 *(1) When the Department for Medicaid Services receives federal funding for the*
10 *state's medical assistance program which is contingent on temporary*
11 *maintenance of effort restrictions, such as those restrictions imposed under Pub.*
12 *L. No. 116-127 sec. 6008, or is, for any reason, limited in its ability to disenroll*
13 *individuals from the state's medical assistance program, the department shall:*

14 *(a) Continue to conduct eligibility redeterminations as in the normal course of*
15 *business; and*

16 *(b) Act on those redeterminations to the fullest extent permitted under federal*
17 *law.*

18 *(2) Following the expiration of any federally imposed restrictions described in*
19 *subsection (1) of this section, the department shall conduct a full audit in which*
20 *the department shall:*

21 *(a) Within sixty (60) days, request approval from the federal Centers for*
22 *Medicare and Medicaid Services to conduct and act on eligibility*
23 *redeterminations for each individual who was enrolled during the period of*
24 *federally imposed restrictions and has been enrolled for more than three (3)*
25 *months; and*

26 *(b) Within twelve (12) months:*

27 *1. Complete and act on eligibility redeterminations for all cases that have*

1 not had a redetermination within the previous twelve (12) months; and
 2 2. Complete and act on eligibility redeterminations for individuals
 3 described in paragraph (a) of this subsection, if the department
 4 receives the federal approval requested pursuant to this paragraph (a)
 5 of this subsection.

6 ➔SECTION 9. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
 7 READ AS FOLLOWS:

8 Unless expressly required under federal law, neither the cabinet nor the Department
 9 for Medicaid Services shall be designated as a qualified health entity for the purpose of
 10 making presumptive eligibility determinations for the state's medical assistance
 11 program.

12 ➔SECTION 10. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
 13 READ AS FOLLOWS:

14 (1) As used in this section:

15 (a) "Department" means the Department for Medicaid Services;

16 (b) "Period of presumptive eligibility" has the same meaning as in 42 C.F.R.
 17 sec. 435.1101; and

18 (c) "Qualified hospital" has the same meaning as in 42 C.F.R. 435.1110(b).

19 (2) If a qualified hospital determines that an individual meets the criteria for
 20 presumptive eligibility, the hospital shall:

21 (a) Notify the department of the determination within five (5) business days
 22 from the date of determination in a form prescribed by the department;

23 (b) Provide a written eligibility notice to the individual. The written eligibility
 24 notice shall, at a minimum, include the following information in plain
 25 language and large print:

26 1. The beginning and end dates of the period of presumptive eligibility;

27 2. Notification that the individual is required to make an application for

- 1 Medicaid benefits through the individual's local Department for
2 Community Based Services office;
- 3 3. The location of the individual's local Department for Community
4 Based Services office;
- 5 4. Notification that if the individual does not file a full Medicaid
6 application before the last day of the following month, the period of
7 presumptive eligibility coverage will end on that day; and
- 8 5. Notification that if the individual does file a full Medicaid application
9 before the last day of the following month, presumptive eligibility
10 coverage will continue until an eligibility determination is made on
11 the application by the department;
- 12 (c) Issue a presumptive eligibility identification card or document to the
13 presumed eligible individual;
- 14 (d) Maintain a record of the presumptive eligibility screening for each
15 application; and
- 16 (e) Assist presumptively eligible individuals in completing a full Medicaid
17 application and understanding any documentation requirements.
- 18 (3) If a qualified hospital determines that an individual does not meet the criteria for
19 presumptive eligibility, the hospital shall provide the individual with written
20 notification of:
- 21 (a) The reason for the determination;
- 22 (b) Notification that the individual may file a full Medicaid application through
23 the individual's local Department for Community Based Services office if
24 the individual wishes to have a formal determination of eligibility made by
25 the department; and
- 26 (c) The location of the individual's local Department for Community Based
27 Services office.

1 (4) Notwithstanding any other provision of law to the contrary and to the extent
2 permitted under federal law, a pregnant individual shall be limited to one (1)
3 period of presumptive eligibility per pregnancy.

4 (5) (a) The department shall provide training on all applicable state and federal
5 laws related to presumptive eligibility to all qualified hospitals.

6 (b) Prior to conducting presumptive eligibility screenings and determinations, a
7 qualified hospital's staff, contractor, or vendor responsible for presumptive
8 eligibility screenings and determinations shall be required to complete
9 presumptive eligibility training provided by the department.

10 (6) If a qualified hospital uses a contractor or other vendor for the purpose of
11 conducting presumptive eligibility screenings and determinations, the hospital
12 shall be responsible for monitoring the contractor's or vendor's compliance with
13 all applicable state and federal laws related to presumptive eligibility.

14 (7) Within ninety (90) days after the effective date of this Act, the department shall
15 promulgate administrative regulations in accordance with KRS Chapter 13A that
16 are necessary to administer this section.

17 ➔SECTION 11. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
18 READ AS FOLLOWS:

19 To the extent permitted under federal law, the state's medical assistance program shall
20 provide coverage for substance use disorder treatment, including peer support services
21 and substance use disorder treatment and patient navigation provided by a licensed
22 clinical social worker, for incarcerated individuals.

23 ➔SECTION 12. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
24 READ AS FOLLOWS:

25 (1) If a custodial parent of a dependent child is disqualified from receiving cash
26 assistance benefits pursuant to Section 3, 18, or 19 of this Act, the dependent
27 child's eligibility and any other adult family member's eligibility for cash

1 assistance benefits shall not be affected, and the custodial parent may choose to
2 designate another person as a protective payee to receive benefits on behalf of the
3 dependent child. The protective payee shall be an adult immediate family member
4 of the dependent child, if such a person is available. The protective payee shall be
5 approved by the cabinet.

6 (2) Within ninety (90) days after the effective date of this Act, the cabinet shall
7 promulgate administrative regulations, in accordance with KRS Chapter 13A,
8 necessary to administer this section.

9 ➔SECTION 13. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
10 READ AS FOLLOWS:

11 The cabinet shall coordinate with the Department of Correction's Victim Information
12 and Notification Everyday network in order to accurately identify public assistance
13 beneficiaries who have been incarcerated or released from incarceration in as timely a
14 manner as is feasible.

15 ➔SECTION 14. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
16 READ AS FOLLOWS:

17 The Cabinet for Health and Family Services shall report to the Public Assistance
18 Oversight and Advisory Committee, established in Section 17 of this Act, on efforts to
19 implement Sections 2, 3, 5, 6, 8, 10, 11, 12, 13, 18, 19, and 22 of this Act no later than
20 December 1, 2022, within one (1) year after the effective date of this Act, and at any
21 time thereafter upon request from the Public Assistance Oversight and Advisory
22 Committee or any other legislative committee.

23 ➔SECTION 15. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
24 READ AS FOLLOWS:

25 The Attorney General shall:

26 (1) On behalf of the Commonwealth of Kentucky, have jurisdiction to enforce this
27 chapter; and

1 (2) Bring an action against the Cabinet for Health and Family Services if any
 2 provision of Section 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 19, 21, 22, or 24 of this
 3 Act are not fully implemented as required by this Act or for any violation thereof.

4 ➔SECTION 16. A NEW SECTION OF KRS CHAPTER 151B IS CREATED
 5 TO READ AS FOLLOWS:

6 The Education and Workforce development Cabinet is hereby directed to establish,
 7 within one hundred twenty (120) days of the effective date of this Act, a job placement
 8 assistance program to assist individuals enrolled in the state's medical assistance
 9 program established in KRS Chapter 205 in finding employment.

10 (1) The assistance program shall:

11 (a) Be available to:

12 1. Any individual enrolled in the state's medical assistance program who
 13 is required to participate in community engagement activities
 14 pursuant to Section 6 of this Act, if the federal Centers for Medicare
 15 and Medicaid Services approves the implementation of a community
 16 engagement program; or

17 2. Any able-bodied adult enrolled in the state's medical assistance
 18 program, if the federal Centers for Medicare and Medicaid Services
 19 does not approve the implementation of a community engagement
 20 program pursuant to Section 6 of this Act;

21 (b) Provide one-on-one job placement coaching and support; and

22 (c) Prioritize job placement with an employer who offers comprehensive health
 23 insurance coverage for medical and surgical services as an employee
 24 benefit.

25 (2) The Education and Workforce Development Cabinet shall contact each
 26 individual who, pursuant to subsection (1)(a) of this section, is eligible to
 27 participate in the job placement assistance program and provide them with

1 information on the program and services provided.

2 (3) As used in this section "able-bodied adult" means an individual who is:

3 (a) Over eighteen (18) years of age but under sixty (60) years of age; and

4 (b) Physically and mentally able to work as determined by the cabinet.

5 ➔Section 17. KRS 6.940 is amended to read as follows:

6 (1) There is hereby established a **Public Assistance**~~[Medicaid]~~ Oversight and Advisory
7 Committee, consisting of ten (10) members appointed as follows: four (4) members
8 of the Senate appointed by the President of the Senate; one (1) member of the
9 minority party in the Senate appointed by the Minority Floor Leader in the Senate;
10 four (4) members of the House of Representatives appointed by the Speaker of the
11 House of Representatives; and one (1) member of the minority party in the House of
12 Representatives appointed by the Minority Floor Leader in the House of
13 Representatives.

14 (2) Members appointed from each chamber shall elect one (1) member from their
15 chamber to serve as co-chair. The co-chairs shall have joint responsibilities for
16 committee meeting agendas and presiding at committee meetings.

17 (3) The committee shall meet at least four (4) times annually.

18 (4) **The committee**~~[and]~~ shall provide oversight on the implementation and
19 administration of all public assistance programs~~[Medicaid]~~ within the
20 Commonwealth, including access to services and benefits, utilization of services
21 and benefits, quality of services and benefits, and cost containment. The committee
22 shall also examine strategies to promote participation in the workforce by public
23 assistance beneficiaries.

24 (5)~~[(2)]~~ A majority of the entire membership of the **Public Assistance**~~[Medicaid]~~
25 Oversight and Advisory Committee shall constitute a quorum, and all actions of the
26 committee shall be by vote of a majority of its entire membership.

27 ➔Section 18. KRS 205.178 is amended to read as follows:

- 1 (1) At a regularly scheduled interval, each enrollment or benefit tracking agency
2 associated with the Medicaid program or the Supplemental Nutrition Assistance
3 Program ~~{food stamps program}~~ of the cabinet shall receive and review information
4 from the Kentucky Lottery Corporation concerning individuals enrolled as
5 recipients in the Medicaid program or the Supplemental Nutrition Assistance
6 Program ~~{food stamps program}~~ that indicates a change in circumstances that may
7 affect eligibility, including but not limited to changes in income or resources.
- 8 (2) On at least a monthly basis, each enrollment or benefit tracking agency associated
9 with the Medicaid program or the Supplemental Nutrition Assistance Program
10 ~~{food stamps program}~~ of the cabinet shall receive and review information from the
11 Vital Statistics Branch concerning individuals enrolled in the Medicaid program or
12 the Supplemental Nutrition Assistance Program ~~{food stamps program}~~ that
13 indicates a change in circumstances that may affect eligibility.
- 14 (3) On at least a quarterly basis, each enrollment or benefit tracking agency
15 associated with the Supplemental Nutrition Assistance Program of the cabinet
16 shall receive and review information from the Administrative Office of the Courts
17 concerning individuals enrolled in the Supplemental Nutrition Assistance
18 Program that indicates a change in circumstances that may affect eligibility,
19 including but not limited to incarceration status.
- 20 (4) On at least a quarterly basis, each enrollment or benefit tracking agency associated
21 with the Medicaid program or the Supplemental Nutrition Assistance Program
22 ~~{food stamps program}~~ of the cabinet shall receive and review information from the
23 Kentucky Office of Unemployment Insurance concerning individuals enrolled in the
24 Medicaid program or the Supplemental Nutrition Assistance Program ~~{food~~
25 ~~stamps program}~~ that indicates a change in circumstances that may affect eligibility,
26 including but not limited to changes in employment or wages.
- 27 (5) ~~{(4)}~~ On at least a quarterly basis, each enrollment or benefit tracking agency

1 associated with the Medicaid program or the **Supplemental Nutrition Assistance**
 2 **Program** ~~[food stamps program]~~ of the cabinet shall receive and review information
 3 concerning individuals enrolled in the Medicaid program or the **Supplemental**
 4 **Nutrition Assistance Program** ~~[food stamps program]~~ that indicates a change in
 5 circumstances that may affect eligibility, including but not limited to potential
 6 changes in residency as identified by out-of-state electronic benefit transfer
 7 transactions.

8 **(6) On at least a quarterly basis, each enrollment or benefit tracking agency**
 9 **associated with the Supplemental Nutrition Assistance Program of the cabinet**
 10 **shall receive and review information from the Department of Revenue**
 11 **concerning individuals enrolled in the Supplemental Nutrition Assistance**
 12 **Program that indicates a change in circumstances that may affect eligibility,**
 13 **including but not limited to changes in income, wages, or residency as identified**
 14 **in tax records.**

15 ~~(7)(5) — (a)~~ Notwithstanding any other provision of law to the contrary:~~[-]~~

16 **(a)** Each enrollment or benefit tracking agency associated with the Medicaid
 17 program or the **Supplemental Nutrition Assistance Program** ~~[food stamps~~
 18 ~~program]~~ of the cabinet shall enter into a memorandum of understanding with
 19 any department, agency, or division for information detailed in this section;
 20 **and**~~[-]~~

21 ~~(b) [Notwithstanding any other provision of law to the contrary,]~~ Any department,
 22 agency, or division for information detailed in this section, including but not
 23 limited to the Kentucky Lottery Corporation, the Vital Statistics Branch, the
 24 Office of Unemployment Insurance, and the Department for Community
 25 Based Services, shall enter into any necessary memoranda of understanding
 26 with the enrollment or benefit tracking agency associated with the Medicaid
 27 program or the **Supplemental Nutrition Assistance Program** ~~[food stamps~~

1 ~~program~~ requesting an agreement pursuant to paragraph (a) of this
2 subsection.

3 ~~(8)~~~~(6)~~ Each enrollment or benefit tracking agency associated with the Medicaid
4 program or the Supplemental Nutrition Assistance Program ~~food stamps~~
5 ~~program~~ of the cabinet may contract in accordance with KRS Chapter 45A with
6 one (1) or more independent vendors to provide additional data or information that
7 may indicate a change in circumstances that may affect eligibility.

8 ~~(9)~~~~(7)~~ Each enrollment or benefit tracking agency associated with the Medicaid
9 program or the Supplemental Nutrition Assistance Program ~~food stamps program~~
10 of the cabinet shall explore joining any multistate cooperative to identify
11 individuals who are also enrolled in public assistance programs outside of this state.

12 ~~(10)~~~~(8)~~ If an enrollment or benefit tracking agency associated with the Medicaid
13 program or the Supplemental Nutrition Assistance Program ~~food stamps program~~
14 of the cabinet receives information concerning an individual enrolled in the
15 Medicaid program or the Supplemental Nutrition Assistance Program ~~food~~
16 ~~stamps program~~ that indicates a change in circumstances that may affect eligibility,
17 the enrollment or benefit tracking agency or other appropriate agency shall review
18 the individual's case.

19 (11) (a) Unless expressly required by federal law, the cabinet shall not seek, apply
20 for, accept, or renew any waiver of work requirements established by the
21 Supplemental Nutrition Assistance Program under 7 U.S.C. sec. 2015(o)
22 without first obtaining specific authorization from the General Assembly to
23 do so.

24 (b) The cabinet shall not exercise the state's option under 7 U.S.C. sec.
25 2015(o)(6).

26 (c) The cabinet shall assign all individuals who are subject to work
27 requirements under 7 U.S.C. sec. 2015(d)(1) to an employment and training

1 program as defined in 7 U.S.C. sec. 2015(d)(4).

2 ~~[(9) The food stamps program of the cabinet shall not seek, apply for, accept, or renew~~
 3 ~~any waiver of requirements established under 7 U.S.C. sec. 2015(o) unless there is~~
 4 ~~an economic downturn resulting in an unemployment rate of ten percent (10%) or~~
 5 ~~more or the Cabinet for Health and Family Services determines an increase in the~~
 6 ~~unemployment rate in any particular county is severe enough to necessitate a~~
 7 ~~waiver.]~~

8 ~~(12)~~~~[(10)]~~ The cabinet shall, in accordance with KRS Chapter 13A, promulgate all rules
 9 and administrative regulations necessary for the purposes of carrying out this
 10 section.

11 ~~(13)~~~~[(11)]~~ Upon request from the Legislative Research Commission, the Cabinet for
 12 Health and Family Services shall submit a report relating to the number of
 13 individuals discovered utilizing services inappropriately, the number of individuals
 14 who were removed from one (1) or more public assistance programs as a result of a
 15 review pursuant to this section, and the amount of public funds preserved in total
 16 and by public assistance program and aggregated by prior years.

17 ➔Section 19. KRS 205.200 is amended to read as follows:

18 (1) A needy aged person, a needy blind person, a needy child, a needy permanently and
 19 totally disabled person, or a person with whom a needy child lives shall be eligible
 20 to receive a public assistance grant only if he or she has made a proper application
 21 or an application has been made on his or her behalf in the manner and form
 22 prescribed by administrative regulation. No individual shall be eligible to receive
 23 public assistance under more than one (1) category of public assistance for the same
 24 period of time.

25 (2) The secretary shall, by administrative regulations, prescribe the conditions of
 26 eligibility for public assistance in conformity with the public assistance titles of the
 27 Social Security Act, its amendments, and other federal acts and regulations. The

1 secretary shall also promulgate administrative regulations to allow for between a
2 forty percent (40%) and a forty-five percent (45%) ratable reduction in the method
3 of calculating eligibility and benefits for public assistance under Title IV-A of the
4 Federal Social Security Act. In no instance shall grants to families with no income
5 be less than the appropriate grant maximum used for public assistance under Title
6 IV-A of the Federal Social Security Act. As used in this section, "ratable reduction"
7 means the percentage reduction applied to the deficit between the family's countable
8 income and the standard of need for the appropriate family size.

9 (3) The secretary may by administrative regulation prescribe as a condition of eligibility
10 that a needy child regularly attend school, and may further by administrative
11 regulation prescribe the degree of relationship of the person or persons in whose
12 home such needy child must reside.

13 (4) The secretary may by administrative regulation prescribe conditions for bringing
14 paternity proceedings or actions for support in cases of out of wedlock birth or
15 nonsupport by a parent in the public assistance under Title IV-A of the Federal
16 Social Security Act program.

17 (5) Public assistance shall not be payable to or in behalf of any individual who has
18 taken any legal action in his or her own behalf or in the behalf of others with the
19 intent and purpose of creating eligibility for the assistance.

20 (6) The cabinet shall promptly notify the appropriate law enforcement officials of the
21 furnishing of public assistance under Title IV-A of the Federal Social Security Act
22 in respect to a child who has been deserted or abandoned by a parent.

23 (7) No person shall be eligible for public assistance payments if, after having been
24 determined to be potentially responsible, and afforded notice and opportunity for
25 hearing, he refuses without good cause:

26 (a) To register for employment with the state employment service,

27 (b) To accept suitable training, or

1 (c) To accept suitable employment.

2 The secretary may prescribe by administrative regulation, subject to the provisions
3 of KRS Chapter 13A, standards of suitability for training and employment.

4 (8) To the extent permitted by federal law, scholarships, grants, or other types of
5 financial assistance for education shall not be considered as income for the purpose
6 of determining eligibility for public assistance.

7 (9) To the extent permitted by federal law, any money received because of a settlement
8 or judgment in a lawsuit brought against a manufacturer or distributor of "Agent
9 Orange" for damages resulting from exposure to "Agent Orange" by a member or
10 veteran of the Armed Forces of the United States or any dependent of such person
11 who served in Vietnam shall not be considered as income for the purpose of
12 determining eligibility or continuing eligibility for public assistance and shall not be
13 subject to a lien or be available for repayment to the Commonwealth for public
14 assistance received by the recipient.

15 **(10) (a) For the purpose of determining eligibility for medical assistance under Title**
16 **XIX of the Social Security Act, the cabinet shall not, unless expressly**
17 **required by federal law, accept self-attestation of income, residency, age,**
18 **household composition, caretaker or relative status, or receipt of other**
19 **coverage without verification prior to enrollment, and the cabinet shall not**
20 **request federal authorization or approval to waive or decline to periodically**
21 **check any available income-related data source to verify eligibility.**

22 **(b) This subsection shall not apply to any individual who is a resident of an**
23 **assisted-living community as defined in KRS 194A.700 or a long-term care**
24 **facility as defined in KRS 216A.010.**

25 **(11) When determining whether an applicant for services or assistance provided under**
26 **this chapter meets the applicable income eligibility guidelines, the cabinet shall**
27 **only use the most recent income verification data available.**

1 *(12) To the extent permitted under federal law, if an individual traffics, sells,*
 2 *distributes, gives, or otherwise transfers an electronic benefit transfer card issued*
 3 *by the department for money, service, or other valuable consideration, the*
 4 *individual may be deemed ineligible for all public assistance programs*
 5 *administered by the cabinet under this chapter for a period of not more than six*
 6 *(6) months for a first offense and may be deemed permanently ineligible for all*
 7 *public assistance programs administered by the cabinet under this chapter for*
 8 *subsequent offenses.*

9 ~~(13)~~~~(10)~~ (a) Notwithstanding any other provision of Kentucky law, the following
 10 shall be disregarded for the purposes of determining an individual's eligibility
 11 for a means-tested public assistance program, and the amount of assistance or
 12 benefits the individual is eligible to receive under the program:

- 13 1. Any amount in an ABLE account;
- 14 2. Any contributions to an ABLE account; and
- 15 3. Any distribution from an ABLE account for qualified disability
 16 expenses.

17 (b) For purposes of this subsection:

- 18 1. "ABLE account" means an account established within any state having a
 19 qualified ABLE program as provided in 26 U.S.C. sec. 529A, as
 20 amended;
- 21 2. "Kentucky law" includes:
 - 22 a. All provisions of the Kentucky Revised Statutes;
 - 23 b. Any contract to provide Medicaid managed care established
 24 pursuant to this chapter;
 - 25 c. Any agreement to operate a Medicaid program established
 26 pursuant to this chapter; and
 - 27 d. Any administrative regulation promulgated pursuant to this

1 chapter; and

2 3. "Qualified disability expenses" means expenses described in 26 U.S.C.
3 sec. 529A of a person who is the beneficiary of an ABLE account.

4 ➔Section 20. KRS 205.231 is amended to read as follows:

- 5 (1) The secretary shall appoint one (1) or more impartial hearing officers to hear and
6 decide upon appealed decisions.
- 7 (2) Any applicant or recipient who is dissatisfied with the decision or delay in action on
8 his or her application for public assistance or the amount granted to him or her and
9 any applicant or recipient who was deemed ineligible or disqualified from public
10 assistance benefits under Section 3, 18, or 19 of this Act may appeal to a hearing
11 officer, except that an appeal and a hearing need not be granted if the sole issue is a
12 federal or state law requiring an automatic change adversely affecting some or all
13 recipients of the Kentucky medical assistance program so long as advance notice of
14 the change, with an explanation of appeal rights, is provided to all affected
15 recipients. However, a recipient may appeal whether the cabinet is accurately
16 interpreting a change in federal or state law which may adversely affect the
17 recipient. On receipt of an appeal, an administrative hearing shall be conducted in
18 accordance with KRS Chapter 13B.
- 19 (3) The secretary may appoint an Appeal Board for Public Assistance composed of the
20 secretary and two (2) other members. The secretary shall be chairman, and he or she
21 and one (1) other member constitute a quorum.
- 22 (4) Any applicant or recipient who is dissatisfied with the decision of a hearing officer
23 may appeal to the appeal board in the manner and form prescribed by administrative
24 regulation. The board may on its own motion affirm, modify, or set aside any
25 decision of a hearing officer on the basis of the evidence previously submitted in the
26 case, or direct the taking of additional evidence, or may permit any of the parties to
27 the decision to initiate further appeals before it. The board may remove itself or

1 transfer to another hearing officer the proceedings on any appeal pending before a
 2 hearing officer. The board shall promptly notify the parties to any proceedings of its
 3 findings and decisions.

4 (5) The manner in which appeals are presented and hearings and appeals conducted
 5 under subsection (4) of this section shall be in accordance with administrative
 6 regulations promulgated by the secretary.

7 (6) After a decision by the appeal board, any party aggrieved by the decision may seek
 8 judicial review of the decision by filing a petition in the Circuit Court of the county
 9 in which the petitioner resides, in accordance with KRS 13B.140, 13B.150, and
 10 13B.160.

11 ➔Section 21. KRS 205.525 is amended to read as follows:

12 (1) Concurrent with submitting an application for a waiver or waiver amendment or a
 13 request for a plan amendment to any federal agency that approves waivers, waiver
 14 amendments, and plan amendments, the cabinet~~[for Health and Family Services]~~
 15 shall provide to the Interim Joint Committee on Health,~~[and]~~ Welfare, *and Family*
 16 *Services*, ~~[and]~~ to the Interim Joint Committee on Appropriations and Revenue, *and*
 17 *to the Public Assistance Oversight and Advisory Committee* a copy, summary, and
 18 statement of benefits of the application for a waiver or waiver amendment or
 19 request for a plan amendment.

20 (2) The cabinet shall provide an update on the status of the application for a waiver or
 21 waiver amendment or request for a plan amendment *to the Legislative Research*
 22 *Commission* upon request.

23 *(3) If the cabinet is expressly directed by the General Assembly to submit an*
 24 *application for a waiver or waiver amendment or a request for a plan amendment*
 25 *to any federal agency that approves waivers, waiver amendments, or plan*
 26 *amendments for public assistance programs administered under this chapter and*
 27 *that application or request is denied by the federal agency, the cabinet shall*

1 resubmit the application for a waiver or waiver amendment or request for a plan
 2 amendment within twelve (12) months of each denial.

3 ➔Section 22. KRS 205.725 is amended to read as follows:

4 (1) Whenever the cabinet receives an application for public assistance on behalf of a
 5 needy dependent child or reviews the records of those currently receiving public
 6 assistance on behalf of a needy dependent child and it appears to the satisfaction of
 7 the cabinet that either or both parents have failed to provide support to the child, the
 8 cabinet ~~shall~~^{may} take appropriate action under this chapter, or any other
 9 appropriate state and federal laws and regulations including but not limited to
 10 enforcement of 7 C.F.R. sec. 273.11(o) and (p), to assure that the responsible
 11 parent or parents provide support to the child.

12 (2) Subsection (1) of this section shall not apply if the:

13 (a) Cabinet has reason to believe allegations of child abuse or domestic
 14 violence and that enforcement of subsection (1) of this section could be
 15 harmful to the custodial parent or needy dependent child;

16 (b) Cabinet believes that enforcement of subsection (1) of this section may not
 17 be in the best interest of the needy dependent child; or

18 (c) Custodial parent is the needy dependent child's mother, and she did not
 19 identify a father on the child's birth certificate at the time of birth.

20 (3) The cabinet may, pursuant to 7 C.F.R. sec. 273.11(q), disqualify an individual
 21 from public assistance granted under this chapter during any month in which the
 22 individual is delinquent in any payment due under a court order for the support
 23 of a child of the individual.

24 (4) As used in KRS 205.730, 205.735, 205.765, and 205.785, the term "child" includes
 25 a child of an individual who is not receiving public assistance and who is eligible to
 26 receive child support services in accordance with Title IV-D of the Social Security
 27 Act.

1 ➔Section 23. Within 90 days after the effective date of this Act, the Cabinet for
2 Health and Family Services shall report the following information to the Interim Joint
3 Committee on Health, Welfare, and Family Services and the Public Assistance Oversight
4 and Advisory Committee:

5 (1) The number of additional families served by the Child Care Assistance
6 Program following the increase in eligibility to 200% of the federal poverty level;

7 (2) An assessment of the additional cost incurred by the state due to increasing
8 Child Care Assistance Program eligibility to 200% of the federal poverty level; and

9 (3) An assessment of what the fiscal impact of discounting multiple copayments
10 for families with more than one child in the Child Care Assistance Program would be.

11 ➔Section 24. If the Cabinet for Health and Family Services determines that a state
12 plan amendment, waiver, or any other form of approval or authorization from a federal
13 agency is necessary prior to the implementation of any provision of this Act, the cabinet
14 shall, within 120 days after the effective date of this Act unless otherwise specified,
15 request the state plan amendment, waiver, approval, or authorization and shall only delay
16 full implementation of those provisions for which a state plan amendment, waiver,
17 approval, or authorization was deemed necessary until the state plan amendment, waiver,
18 approval, or authorization is granted. The cabinet shall, in accordance with KRS 205.525,
19 provide a copy of any state plan amendment, waiver, or other approval or authorization
20 application submitted pursuant to this Section to the Interim Joint Committee on Health,
21 Welfare, and Family Service, the Interim Joint Committee on Appropriations and
22 Revenue, and the Public Assistance Oversight and Advisory Committee and provide an
23 update on the status of any application submitted pursuant to this section upon request.

24 ➔Section 25. The General Assembly hereby directs the Education and Workforce
25 Development Cabinet to design and launch an online portal or Web site where private
26 employers in the Commonwealth can post available job openings. Employment
27 opportunities posted to the portal or Web site shall be accessible and searchable by the

1 general public.

2 ➔Section 26. The Legislative Oversight and Investigations Committee shall
3 conduct an in-depth analysis of Temporary Assistance for Needy Families (TANF) and
4 the Kentucky Transition Assistance Program (K-TAP) spending by the Cabinet for Health
5 and Family Services and seek to identify alternative sources of funding for child welfare
6 programs and services currently funded by the federal TANF block grant and state
7 maintenance-of-effort dollars, including possible strategies for securing additional Title
8 IV-E funds, so that future K-TAP expenditures may be allocated in a manner that
9 prioritizes assisting recipients of public assistance in transitioning off of public assistance
10 by finding and maintaining sustainable, gainful employment.

11 ➔Section 27. The Legislative Research Commission shall establish a Benefits
12 Cliff Task Force to study the phenomenon commonly known as the benefits cliff and
13 make recommendations for strategies that the state might employ to address the benefits
14 cliff. The duties of the task force shall include but are not limited to making
15 recommendations for:

- 16 (1) Monthly premiums and co-payments associated with a health insurance option for
17 low-income individuals who have become ineligible for the state's medical
18 assistance program on the basis of an increase in income;
- 19 (2) Eligibility guidelines for a health insurance option for low-income individuals who
20 have become ineligible for the state's medical assistance program on the basis of an
21 increase in income; and
- 22 (3) Strategies to ensure continued access to child care assistance as a parent's income
23 increases above the current threshold for eligibility for the Child Care Assistance
24 Program.

25 ➔Section 28. The Benefits Cliff Task Force shall be composed of the following
26 members with final membership of the task force being subject to the consideration and
27 approval of the Legislative Research Commission:

1 (1) Four members of the House of Representatives appointed by the Speaker of
2 the House of Representatives, one of whom shall be designated by the Speaker of the
3 House of Representatives as a co-chair of the task force;

4 (2) One member of the House of Representatives appointed by the Minority Floor
5 Leader of the House of Representatives;

6 (3) Four members of the Senate appointed by the President of the Senate, one of
7 whom shall be designated by the President of the Senate as a co-chair of the task force;
8 and

9 (4) One member of the Senate appointed by the Minority Floor Leader of the
10 Senate.

11 ➔Section 29. The task force shall meet at least four times during the 2022 Interim
12 of the General Assembly, and the task force shall submit its findings and
13 recommendations to the Legislative Research Commission by December 1, 2022.

14 ➔Section 30. Provisions of Sections 27 to 29 of this Act to the contrary
15 notwithstanding, the Legislative Research Commission shall have the authority to
16 alternatively assign the issues identified therein to an interim joint committee or a
17 subcommittee thereof, and to designate a study completion date.

18 ➔Section 31. Sections 26 to 31 of this Act shall have the same legal status as a
19 House Concurrent Resolution.

20 ➔Section 32. If any section, any subsection, or any provision of this Act is found
21 by a court of competent jurisdiction in a final, unappealable order to be invalid or
22 unconstitutional, the decision of the court shall not affect or impair any of the remaining
23 sections, subsections, or provisions of this Act.